

Kentucky Agricultural Development Board

Minutes of the April 21, 2006 Board Meeting

The Kentucky Agricultural Development Board monthly meeting was held on **Friday, April 21, 2006** at **10:00 AM EST**, in Conference Room B of the Fayette County Extension Office in Lexington, KY. Commissioner Richie Farmer, presiding, called the meeting to order, and the Secretary called the roll.

Roll Call

Members Present

Donna Amburgey; H. H. Barlow; Danny Case; John Cleaver; Rodney Dick; Commissioner Richie Farmer; Dennis Griffin; Wayne Hunt; Sam Lawson; Jim Mahan; Dean M. Scott Smith (Jimmy Henning, designee); Secretary Gene Strong (Don Goodin, designee)

Members Absent

Vickie Yates Brown, Governor Ernie Fletcher, Sam Moore

Others Present

Staff - Catherine Ball, Angela Blank, David Bratcher, Brian Furnish, Sandy Gardner, Tim Hughes, Christi Marksbury, Bill McCloskey, Joel Neaveill, Keith Rogers, Nick Whobrey, Stephen Yates

Guests – Larry Snell, Kentucky Center for Agriculture & Rural Development (KCARD); Anna Kindrick, Kentucky Department of Agriculture; Berea Ernst (Community Farm Alliance; Gary Lane, KCARD; Lowell Atchley, Legislative Research Commission; Jeff Jones, United States Department of Agriculture Rural Development; Mitchell & Jana Paschall, Kentucky West Nursery Cooperative; Jonas Adams, Cave Run Stables; Sarah Alley, Alley Farms; Elizabeth Diamond, Alley Farms; Lester Alley, Alley Farms.

Notification of Media

Commissioner Farmer received verification from Keith L. Rogers, Chief Executive Officer, that the media had received notice regarding the Agricultural Development Board monthly board meeting.

Welcome

Commissioner Farmer welcomed everyone to the Agricultural Development Board meeting.

Approval of Minutes

Donna Amburgey moved to approve the minutes of the March 17, 2006 meeting as presented: Rodney Dick seconded the motion. The motion passed without dissent.

Mr. Griffin moved to amend the March Board minutes on the Wayne County amendment to state \$41,300.00 instead of \$4,130,000.00; Mrs. Amburgey seconded the motion. The motion passed without dissent.

Executive Director's Report

Mr. Rogers welcomed Stephen Yates back after his recovery from a stroke and informed the group that Vickie Yates Brown's mother had back surgery.

Mr. Rogers gave a brief report on the oversight committee. He explained the only issue the committee had was with an agri-tourism project dealing with the construction of a kitchen.

Tim Hughes gave an update on the Kentucky Agricultural Finance Corporation. Eight applications were approved at the April 7, 2006 board meeting. There have been several calls on the Beginning Farmer Loan Program and meetings have been set up across the state with lenders to discuss this new program.

Mr. Rogers brought the Kentucky Center for Agriculture and Rural Development (KCARD) memo in the update folder to the Board's attention. Jim Mahan moved to amend the November 17-18, 2005 Board minutes and take out the word "Economic" in the KCARD section of the guiding principles; H.H. Barlow seconded the motion. The motion passed without dissent.

Mr. Rogers asked the technical advisory committee to work with the bylaws by a conference call. The members are as follows: H.H. Barlow (Chair), Jim Mahan, Dr. Jimmy Henning (*designee for Dean Scott Smith*), Danny Case, Don Goodin (*designee for Secretary Gene Strong*) and John Cleaver.

Mr. Rogers reported that the Access to Capital committee met before the Board meeting to discuss applications on Kentucky West Nursery. All applications were approved. (Minutes from the meeting are on file with the Board Secretary)

Mr. Rogers gave a brief update on West Kentucky Growers Cooperative. They are scheduled to transfer the facility on April 26, 2006. Joel Neaveill did a walk through on April 20, 2006 and Mr. Rogers did a walk through of the facility a couple of weeks ago.

Mr. Rogers reported on the Bath County issues. The Bath County Council approved additional funding this week and they will be up for additional funding next month.

Mr. Rogers explained there would be a joint meeting with the ADB and KAFC in July. The tentative arrangements are in Henderson, KY and Hazard, KY in November.

John Cleaver made the motion to approve that the July KADB meeting be a joint meeting with the KAFC in Henderson, KY and tour Little KY Smokehouse; Wayne Hunt seconded the motion. The motion passed without dissent.

Mr. Rogers turned over the rest of his report to Joel Neaveill for a budget update. (see handouts on file with the Board Secretary)

Presentation

Presentation from Roger Thomas with the Kentucky Dairy Development Council (see handouts on file with the Board Secretary)

New Business

Referral of May Projects¹

Mr. Rogers presented projects A2006-0087 to A2006-0137 for referral to the Board's May meeting for review. Danny Case moved that projects A2006-0087 To A2006-0087 be referred for May review; Mr. Mahan seconded the motion. The motion passed without dissent.

¹ A detailed list of the referred projects is attached as Appendix A.

Approval of Model Programs²

Commissioner Farmer submitted projects requesting funds for county model programs. Mr. Dick moved the said applications be approved for the named model programs; Dennis Griffin seconded the motion. The motion passed without dissent.

Requested Amendments³

Mr. Rogers presented thirteen requested amendments for approval. Dr. Jimmy Henning moved that said amendments be approved; Mr. Dick seconded the motion. The motion passed without dissent.

Mr. Mahan moved to add Kentucky Bluegrass to the list of cool season grasses eligible for cost-share; Mr. Barlow seconded the motion. The motion passed without dissent.

Recommendations for Funding

Mr. Furnish presented the following Agritourism Competitive Awards Program applicants to the Board:

A2005-0453, Cave Run Resort and Stable. Cave Run Resort & Stable requests \$50,000 of State funds as part of the 2006 Agri-tourism Competitive Awards Program funds to construct a retail facility with a kitchen. Mr. Yates reviewed the proposed terms and conditions for the project.

A2006-0019, Gateway Resource Conservation Development. Gateway Resource Conservation Development requests \$50,000 of State funds as part of the 2006 Agri-tourism Competitive Awards Program funds to create an Agri-tourism destination on their family farm in Lawrence County. Mr. Furnish reviewed the proposed terms and conditions for the project.

A2006-0023, Alley Farms. Alley Farms requests \$50,000 of State funds as part of the 2006 Agri-tourism Competitive Awards Program funds to construct a pavilion 74 ft. wide and 130 ft. long. Mr. Whobrey reviewed the proposed terms and conditions for the project.

A2006-0029, Mandolin Farm Bluegrass Festival. Mandolin Farm Bluegrass Festival requests \$50,000 of State funds as part of the 2006 Agri-tourism Competitive Awards Program funds to construct a retail facility with a kitchen. Mr. Yates reviewed the proposed terms and conditions for the project.

Mr. Mahan moved that the Agri-tourism Competitive Awards Program projects **A2005-0453 through A2006-0029 be approved for for the requested individual said amounts**; Wayne Hunt seconded the motion. The motion passed without dissent.

Stephen Yates presented **A2005-0327, Clark County Fiscal Court.** Clark County Fiscal Court requests \$5,000 of Clark County funds for a study to determine the need for the Purchase Development Right (PDR) Program in Clark County. Mr. Yates reviewed the proposed terms and conditions for the project.

² A detailed list of projects funded under each model program category is attached as Appendix B.

³ A detailed list of requested amendments approved is attached as Appendix C.

Mr. Hunt moved that **A2005-0327 be approved for \$5,000 in Clark County funds**; Mr. Mahan seconded the motion.

A roll call vote was called. Donna Amburgey – No; H.H. Barlow – Yes; Danny Case – No; John Cleaver – Yes; Rodney Dick – No; Dennis Griffin – No; Wayne Hunt – Yes; Jim Mahan – Yes; Dr. Jimmy Henning – Yes; Don Goodin – Yes The motion passed. (6/4)

Brian Furnish presented **A2006-0085, Mountain Cattleman's Association.** The Mountain Cattleman's Association requests \$12,000 of Lee County funds to administer a Heifer Replacement program. Mr. Furnish reviewed the proposed terms and conditions for the project.

John Cleaver moved that **A2006-0085 be approved for \$12,000 in Lee County funds**; Mr. Dick seconded the motion. The motion passed without dissent.

Brian Furnish presented **A2006-0087, Mountain Cattleman's Association.** The Mountain Cattleman's Association requests \$30,000 of Lee County funds to administer a menu approach for two model programs, Cattle Genetics and Cattle Handling. Mr. Furnish reviewed the proposed terms and conditions for the project.

Mr. Case moved that **A2006-0085 be approved for \$30,000 in Lee County funds**; Mr. Cleaver seconded the motion. The motion passed without dissent.

Bill McCloskey presented **A2006-0111, The Kentucky Center for Agriculture and Rural Development, Inc.** The Kentucky Center for Agriculture and Rural Development, Inc. requests \$400,725 of State funds to provide technical assistance and educational opportunities for Kentucky agricultural and rural businesses seeking to enhance their economic opportunities. Mr. McCloskey reviewed the proposed terms and conditions for the project.

Mr. Dick moved that **A2006-0111 be approved for \$400,725 in State funds**; Mr. Hunt seconded the motion. The motion passed without dissent.

Recommendations for No Funding

Nick Whobrey presented **A2006-0083, Livingston County Conservation District.** The Livingston County Conservation District requests \$2,650 of Livingston County funds to conduct a Progressive Ag Safety Day for 4th graders in Livingston County. Mr. Whobrey reviewed the proposed terms and conditions for the project.

Mr. Barlow moved that **A2006-0083 be denied funding based on previous Board action**; Mr. Cleaver seconded the motion. The motion passed without dissent.

Recommendations for Pending Funding

The following applications were discussed, but no action was taken: Spencer County Public Schools (A2006-0084) and Katelyn's Honey (A2006-0086).

Old Business

Kentucky West Nursery Cooperative

Mr. Rogers reviewed the documents in the update folder on Kentucky West Nursery. (on file with the Board Secretary)

Mr. Barlow move to approve the staff recommendation; Dr. Henning seconded the motion. The motion passed without dissent.

Central Kentucky Growers Cooperative

Mr. Rogers reported there had been no lease information received from Central Kentucky Growers Cooperative & Pirrone's to date. Central Kentucky Growers Cooperative will have the county attorney work up the agreement.

Coordinated Value-Added Production Assistance Fund (KAFC)

Mr. Griffin moved to fund the program for \$1 million right now; Mr. Dick seconded the motion. The motion passed without dissent.

Beginning Farmer Loan Fund (KAFC)

Mr. Cleaver moved to pend the additional \$3 million; Mr. Hunt seconded the motion. The motion passed without dissent.

Other Business

Mr. Griffin moved to conduct a planning session on May 19, 2006 instead of the regular scheduled board meeting; Mr. Cleaver seconded the motion. The motion passed without dissent.

Closing Remarks

The next meeting of the Kentucky Agricultural Development Board will convene at 9:00 AM EST on Friday, May 19, 2006 at Embassy Suites in Lexington, KY. Note time and location of meeting subject to change; ample notification will be given if such a change occurs.

The meeting adjourned at 2:45 PM EST.

APPROVED: _____

PRESIDING OFFICER: _____

SECRETARY: _____

Appendix A: New Applications for Referral

App #	Applicant	Request Type
A2006-0087	Mountain Cattlemen's Association, Inc.	Project
A2006-0088	Bob's Custom Butchering & Custom Meats	Project
A2006-0089	Boyle County Farm Bureau	Cattle Handling Facilities
A2006-0090	Boyle County Farm Bureau	Cattle Genetics Improvement
A2006-0091	Jessamine County Beef Cattle Association, Inc.	Farm Livestock Fencing Improvement
A2006-0092	Jessamine County Beef Cattle Association, Inc.	Cattle Handling Facilities
A2006-0093	Jessamine County Beef Cattle Association, Inc.	Cattle Genetics Improvement
A2006-0094	Jessamine County Beef Cattle Association, Inc.	Hay, Straw, & Commodity Storage
A2006-0095	Central Kentucky Aquatics, LLC	Project
A2006-0096	Garrard County Fair Board	Project
A2006-0097	Garrard County Conservation District	Forage Improvement & Utilization
A2006-0098	Clinton County Farm Bureau, Inc. of Albany, Kentucky	Forage Improvement & Utilization
A2006-0099	London-Laurel County Farmers Market Association	Project
A2006-0100	Red River Goat Association, Inc.	Goat Diversification
A2006-0101	Shelby County Cattlemen, Inc.	Cattle Handling Facilities
A2006-0102	Shelby County Cattlemen, Inc.	Cattle Genetics Improvement
A2006-0103	Shelby County Cattlemen, Inc.	Forage Improvement & Utilization
A2006-0104	Shelby County Cattlemen, Inc.	Goat Diversification
A2006-0105	Shelby County Farm Bureau, Inc.	Farm Livestock Fencing Improvement
A2006-0106	Shelby County Cattlemen, Inc.	Dairy Diversification
A2006-0107	Shelby County Farm Bureau, Inc.	Hay, Straw, & Commodity Storage
A2006-0108	Shelby County Farm Bureau	Technology

Appendix A: New Applications for Referral

App #	Applicant	Request Type
A2006-0109	Shelby County Agricultural Development Foundation, Inc.	Agricultural Diversification
A2006-0110	Powell County Livestock Producers Association, Inc.	Project
A2006-0111	The Kentucky Center for Agriculture and Rural Development, Inc.	Project
A2006-0112	City of Springfield	Project
A2006-0113	Robertson County Farm Bureau Federation, Inc.	Farm Livestock Fencing Improvement
A2006-0114	Meade County Conservation District	Forage Improvement & Utilization
A2006-0115	Meade County Cattlemen's Association, Inc.	Cattle Genetics Improvement
A2006-0116	Meade County Cattlemen's Association, Inc.	Cattle Handling Facilities
A2006-0117	Meade County Cattlemen's Association, Inc.	Farm Livestock Fencing Improvement
A2006-0118	Kentucky Minority Farmers, Inc.	Shared-use Equipment
A2006-0119	Meade County Grain Growers, Inc.	Hay, Straw, & Commodity Storage
A2006-0120	Meade County Grain Growers, Inc.	Technology
A2006-0121	Meade County Goat Producers Association, Inc.	Goat Diversification
A2006-0122	Meade County Riverport Authority	Project
A2006-0123	Cumberland Farm Products Association, Inc.	Project
A2006-0124	Whitley County Farm Bureau, Inc. of Whitley County, Kentucky	Shared-use Equipment
A2006-0125	Kentucky's Choice Homegrown Beef LLC	Agricultural Diversification
A2006-0126	Western Hills High School Agriculture Department	Project
A2006-0127	Franklin County Board of Education	Project
A2006-0128	Franklin County Cattlemen's Association, Inc.	Project
A2006-0129	Buffalo Trace Area Development District	Cattle Genetics Improvement
A2006-0130	Buffalo Trace Area Development District	Hay, Straw, & Commodity Storage

Appendix A: New Applications for Referral

App #	Applicant	Request Type
A2006-0131	Carroll County 4-H Council, Inc.	Project
A2006-0132	Carroll County Agriculture Development Fund	Project
A2006-0133	Carroll County Agriculture Development Fund	Project
A2006-0134	Harold W. Burton	Project
A2006-0135	McDowell Farms Salsa, LLC	Project
A2006-0136	Washington County Cattlemen Association, Inc.	Project
A2006-0137	Jessamine County FFA Alumni Association, Inc.	Project

Appendix B: Model Programs Recommended for Approval

Cattle Genetics Improvement

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0090	Boyle County Farm Bureau	Boyle	\$77,250.00
A2006-0129	Buffalo Trace Area Development District	Fleming	\$75,000.00
A2006-0093	Jessamine County Beef Cattle Association, Inc.	Jessamine	\$26,250.00
A2006-0115	Meade County Cattlemen's Association, Inc.	Meade	\$15,000.00
A2006-0102	Shelby County Cattlemen, Inc.	Shelby	\$37,425.00
			\$230,925.00

Cattle Handling Facilities

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0089	Boyle County Farm Bureau	Boyle	\$128,750.00
A2006-0092	Jessamine County Beef Cattle Association, Inc.	Jessamine	\$26,250.00
A2006-0101	Shelby County Cattlemen, Inc.	Shelby	\$74,075.00
			\$229,075.00

Farm Livestock Fencing Improvement

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0091	Jessamine County Beef Cattle Association, Inc.	Jessamine	\$52,500.00
A2006-0105	Shelby County Farm Bureau, Inc.	Shelby	\$210,000.00
			\$262,500.00

Forage Improvement & Utilization

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0098	Clinton County Farm Bureau, Inc. of Albany, Kentucky	Clinton	\$140,000.00
A2006-0114	Meade County Conservation District	Meade	\$15,000.00
A2006-0103	Shelby County Cattlemen, Inc.	Shelby	\$208,075.00
			\$363,075.00

Goat Diversification

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0100	Red River Goat Association, Inc.	Powell	\$10,000.00
A2006-0104	Shelby County Cattlemen, Inc.	Shelby	\$5,125.00
			\$15,125.00

Appendix B: Model Programs Recommended for Approval

Hay, Straw, & Commodity Storage

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0130	Buffalo Trace Area Development District	Fleming	\$150,000.00
A2006-0094	Jessamine County Beef Cattle Association, Inc.	Jessamine	\$52,500.00
			\$202,500.00

Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0124	Whitley County Farm Bureau, Inc. of Whitley County, Kentucky	Whitley	\$5,896.55
			\$5,896.55

Technology

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2006-0108	Shelby County Farm Bureau	Shelby	\$28,450.00
			\$28,450.00

Total County Funds Recommended for Approval in Model Programs: **\$1,337,546.55**

APPENDIX C: Requested Amendments

App # **A2005-0120**
Applicant Name **Greenup County Farm Bureau of Greenup County, Kentucky**
Amount Approved \$131,250.00
Date April 15, 2005
Requested Change The applicant requests an additional \$52,500.00 for the *Hay, Straw & Commodity Storage* Program. The request received a High priority from the Greenup County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$183,750.00.
Recommendation Approval

App# **A2005-0144**
Applicant Name **Carroll County Agriculture Development Fund, Inc.**
Amount Approved \$54,000.00
Date May 20, 2005
Requested Change The applicant requests an additional \$14,500.00 for the *Cattle Handling Facilities* Program. The request received a High priority from the Carroll County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$68,500.00.
Recommendation Approval

App# **A2005-0143**
Applicant Name **Carroll County Agriculture Development Fund, Inc.**
Amount Approved \$31,000.00
Date May 20, 2005
Requested Change The applicant requests an additional \$21,708.00 for the *Forage Improvement & Utilization* Program. The request received a High priority from the Carroll County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$52,708.00.
Recommendation Approval

APPENDIX C: Requested Amendments

App# **A2005-0162**
Applicant Name **Lewis County Conservation District**
Amount Approved \$170,000.00
Date May 20, 2005
Requested Change The applicant requests an additional \$24,000.00 for the *Farm Livestock Fencing Improvement* Program. The request received a High priority from the Lewis County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$194,000.00.
Recommendation Approval

App# **A2005-0287**
Applicant Name **Lewis County Conservation District**
Amount Approved \$105,000.00
Date June 17, 2005
Requested Change The applicant requests an additional \$31,959.00 for the *Hay, Straw & Commodity Storage* Program. The request received a High priority from the Lewis County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$136,959.00.
Recommendation Approval

App# **A2005-0288**
Applicant Name **Elliot County Fiscal Court**
Amount Approved \$50,000.00
Date June 17, 2005
Requested Change The applicant requests an additional \$1,495.00 for the *Hay, Straw & Commodity Storage* Program. The request received a High priority from the Elliot County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$51,495.00.
Recommendation Approval

APPENDIX C: Requested Amendments

App#	A2005-0579
Applicant Name	Jackson Purchase Resource Conservation & Development Foundation, Inc.
Amount Approved	\$21,050.00
Date	November 18, 2005
Requested Change	The applicant requests an <u>additional</u> \$42,000.00 for the <i>Hay, Straw & Commodity Storage</i> Program. The request received a High priority from the Calloway County Council. The term of the program shall remain 18-months from the execution date of the original agreement. Approval of this request would bring the program total to \$63,050.00.
Recommendation	Approval

App#	A2005-0588
Applicant Name	Washington County Cattlemen Association, Inc.
Amount Approved	\$16,000.00
Date	November 18, 2005
Requested Change	The applicant requests an <u>additional</u> \$43,836.00 for the <i>Forage Improvement & Utilization</i> Program. The request received a High priority from the Washington County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$59,836.00.
Recommendation	Approval

App#	A2006-0006
Applicant Name	Garrard County Farm Bureau, Inc.
Amount Approved	\$20,000.00
Date	February 17, 2005
Requested Change	The applicant requests an <u>additional</u> \$9,000.00 for the <i>Forage Improvement & Utilization</i> Program. The request received a High priority from the Garrard County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$29,000.00.
Recommendation	Approval

APPENDIX C: *Requested Amendments*

App#	A2005-0191
Applicant Name	Ohio County Conservation District
Amount Approved	\$42,000.00
Date	May 20, 2005
Requested Change	The applicant requests an <u>additional</u> 15,300.00 for the <i>Technology</i> Program. The request received a High priority from the Ohio County Council. The term of the program shall remain 12-months from the execution date of the original agreement. Approval of this request would bring the program total to \$57,300.00.
Recommendation	Approval